



SARAH WHITLEY BAILIFF
Senior General Attorney

**The Burlington Northern and
Santa Fe Railway Company**

2500 Lou Menk Drive
Fort Worth, Texas 76131-2828
(817) 352-2354 - Telephone
(817) 352-2397 - Fax
Sarah.Bailiff@BNSF.com



VIA OVERNIGHT DELIVERY

December 3, 2004

Mr. Ken Blodgett
Section of Environmental Analysis
Surface Transportation Board
1925 K Street, N.W., Suite 500
Washington, DC 20423

Re: STB Finance Docket No. 30186 (Sub-No. 3)
Tongue River Railroad Company, Inc. – Construction and Operation –
Western Alignment

Dear Mr. Blodgett:

Attached for your consideration in the above-referenced docket are BNSF's Comments
on the STB's Supplemental DEIS.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, reading "Sarah Whitley Bailiff".

Sarah Whitley Bailiff

/srs

Attachment

cc: Tom Kraemer, BNSF
David Coburn, Steptoe & Johnson

12/03/2004

**BNSF COMMENTS ON
DRAFT SUPPLEMENTAL IMPACT STATEMENT**

**STB Finance Docket No. 30186 (Sub-No. 3)
Tongue River Railroad Company, Inc. – Construction and Operation –
Western Alignment**

Tongue River III – Rosebud and Big Horn Counties MT

Pursuant to the request of the Section of Environmental Analysis for comments on its Draft Supplemental Environmental Impact Statement (DSEIS) served October 15, 2004, The Burlington Northern and Santa Fe Railway (BNSF) herewith submits comments in support of the Tongue River project and specifically in support of the Western Alignment alternative.

1

The routes under study ultimately will connect with the BNSF system. Additionally, BNSF has anticipated the possibility of operating the newly constructed line if BNSF and Tongue River reach agreement on a long term operating agreement. No agreement has been reached to date, although BNSF remains in communication with Tongue River as the regulatory approval process progresses. Whether BNSF ultimately operates the line or connects with another operator of the new line, BNSF and its customer stakeholders have an interest in implementation of the most efficient route. For this project, the goals of more favorable economics and operating and engineering efficiencies fortunately coincide with the goals of implementing an environmentally preferable route. BNSF submits that the Western Alignment is the obvious choice.

12/03/2004

BNSF concurs in SEA's findings of no significant environmental impacts which would not be adequately mitigated. BNSF submits that the Western Alignment Alternative is the superior route for this project due, in large measure to the difference in grades and fuel efficiencies between the Four Mile Creek and Western Alignment alternatives. The steeper grades of the Four Mile Creek alignment coupled with the nature of heavy haul unit train operations would require significantly more maintenance and resulting interference with train operations. The increased cost of maintaining is no small matter. The severe grades of the Four Mile Creek Alternative are estimated to result in maintenance costs which are ten times higher than the Western Alignment. In addition to maintenance issues, the fuel efficiency gains resulting from a combination of a shorter route and more favorable grades make the Western Alignment the preferable alternative from an operating and environmental perspective. Ultimately, the purpose and need for the project are better served with implementation of the most efficient route – in this case the Western Alignment. The lower cost more efficient route would redound to the benefit of the markets to be served and ultimately the power consuming public.

As the Ashland area develops its extensive high quality coal reserves, domestic coal markets will benefit from enhanced coal choices and improved routing and reduced transit times over shipments from the Wyoming PRB and Spring Creek/Decker mines moving to Upper Midwest markets and beyond.

12/03/2004

Additionally, BNSF's non-coal customers will indirectly benefit from the Tongue River line since the rerouting of overhead coal trains over the Tongue River route would substantially improve available line capacity over BNSF's route from Sheridan, Wyoming to Huntley, MT and on to Miles City, MT.

BNSF coal customers should also benefit from construction of the Tongue River route. New mine development will provide new compliance coal sources for customers in domestic markets, particularly in the Upper Midwest region of the country. In addition to increased coal options, for some of BNSF's customers, the Tongue River construction will result in shorter distances to market and substantial reduction unit train cycle times versus coal originating from the Wyoming PRB. Again, environmental goals of increased fuel efficiency and economic goals of enhanced efficiencies are jointly served by implementation of this new route. Industry trends indicate that the ability to operate heavy axle loads at the lowest cost is essential for competitive transportation service. Lower costs from more efficient routing benefit BNSF, our utility customers and partners, and in the long run, the power consuming public.

In conclusion, BNSF submits the Western Alignment is the superior route from an operating, economic and environmental standpoint. BNSF strongly supports the Tongue River project and recommends approval of the Western Alignment as the preferred route.

SEA's Responses to Comment Letter P28
Burlington Northern Santa Fe Railway (December 3, 2004)

P28.1 The comments in support of the proposed Western Alignment are noted.

Other Submissions

In order to process your filing, please fill out the following information. If you do not know the docket number, please leave it blank and we will fill it out for you.

Please fill out the following information to help us complete your filing:

Docket #: FD -30186 -Sub-No 3 -

Subject: * TRRC Draft EIS-Western Alignment
 First Name: * Deborah
 Middle Name: L
 Last Name: * Hanson
 Address: * 1002 Pleasant

City: * Miles City
 State: * MT
 Zip Code: * 59301-
 Email Address: * hans_deb@hotmail.com
 Group/Affiliation: Northern Plains Resource Council
 Message: Attention Victoria Rutson, Chief
 Kenneth Blodgett, EPS Project Manager

Re: Comments on the Draft Supplemental Impact Statement for the Tongue River Railroad Co. - Western Alignment

I am a resident of Miles City, MT and the mouth of the Tongue River. I am also a member of the Northern Plains Resource Council and with other members have been involved in the Tongue River Railroad application since the early 1980s.

1

In general, I still oppose the TRRC (Tongue River Railroad Co.) in their application of the railroad because I see no Public Need. This railroad has been permitted for over 5 years and still has not pursued rights of way!

This railroad is speculation and a get rich scheme for a few and not a mode of transportation devised out of a crying need.

Now, I will comment specifically to the document.

2

I. Miles City is cut by the railroad and only has one overpass. By increasing the number of trains passing through, what mitigation has been considered for emergency services--fire, ambulance, hazardous waste accidents, etc.?

3

II. Additional analysis must be required on what is needed to be done if there are more tracks and terminals on Fort Keogh if TRRC runs the show. Will there also be a need to put in an additional interstate exit to access the new terminal so that traffic does not have to go past the fish hatchery?

4

III. The Miles City Fish Hatchery will be affected by the realignment. Easements will be needed from the State of Montana. If mediation does not succeed, it looks to me like

4 cont. STB would supercede Montana control and, in fact, grant SEA a type of eminent domain. This is a huge factor--to allow a private rail line to condemn State property that supports a real project of public need and necessity.

5 IV. Threatened and Endangered Species--Sage Grouse are definitely a threatened species--even moreso since your study was completed. There are 4 sage grouse leks within 1 mile of ROW (right of way) of high populations counts in the Tongue River project area near Otter Creek, Ashland and south to Birney. This document did not address this problem in detail and under mitigation brushed off this problem by stating the TRR could offer "appropriate compensation" for potential loss of grouse habitat of avoid the lek just during mating season. This is totally unacceptable. Once this prime habitat is destroyed we will have disturbed the sage grouse population which is declining rapidly in the country and Montana is one of the last few places where the sage grouse are holding their own. Their leks must be avoided period! This subject need to be revisited in detail. (I have been involved in the Montana Sage Grouse Study group.) Also, combined with potential mining and coal bed methane development, the cumulative effect could be disastrous to the sage grouse populationl.

6 V. Cumulative developments of the TRR, coal mining and coal bed methane development are huge and have been brushed off in this EIS. The roads, the noise, the air pollution, the water degradation and depletion in the Powder River Basin, the influx of people, the noxious weed problem, the affect on wildlife are all huge if combined with the three developments.

7 The pressure on social services in our small towns that are strapped financially right now was not even addressed. Drug problems, law enforcement, traffic, road maintenance, fire crews all cost money up front that is not addressed in the "trade-off". Only a few sentences and charts that support the benefits and no attempt to develop a scenario of up-front development costs to the communities. A suggestion to the TRRC that they should consult for purposes of addressing potential social and economic problems and that they shall provide practical assistance is "lip service" to the reality our community will face.

We will most likely lose railroad jobs rather than gain them and the state will most likely lose mining jobs to Wyoming as this line opens up Gillette, WY coal to our markets.

There are so many other comments to make, but I will end here.

This Tongue River Railroad was a bad idea in the early 1900's and still is in the early 2000's.

Sincerely,

Deborah Hanson

SEA's Responses to Comment Letter P29

Deborah Hanson

P29.1 The comment states that there is no public need for this project. The Board will determine whether the project is inconsistent with the public convenience and necessity, as required by 49 U.S.C. 10901. Please refer to Master Response 9, Determination of Public Convenience and Necessity for additional information.

P29.2 The comment asks what mitigation measures have been developed to address potential railroad crossing delays in Miles City and the effect that these delays could have on emergency response services. SEA has developed two mitigation measures to address this issue.

Recommended Mitigation Measure 55 would require that TRRC develop an MOA, in coordination with MDT, that includes the evaluation of each crossing for safety needs and potential traffic problems during construction, including passage of emergency vehicles. Based on these evaluations, the MOA will set forth specific safety measures, such as warning signal and devices, and appropriate measures to alleviate any traffic problems, such as grade separations. Mitigation Measure 66 would address the potential for extended crossing delays during the operation period. This measure would require that TRRC comply with all reasonable Federal, state, and local requirements regarding train operations, including requirements related to maximum duration of crossing blockage.

P29.3 The comment requests details on what infrastructure would be necessary to provide access if a terminal were located at Fort Keogh. Details concerning terminal locations are not known at this stage in the process; therefore no terminal at Fort Keogh has been assessed as part of the SEIS in Tongue River III.

P29.4 STB approval of a proposed rail line construction does not grant eminent domain power to a railroad. Rather, a railroad's right to acquire the property needed to construct and operate a Board-approved line depends on state law. It also should be noted that Mitigation Measures 86 and 87 would require TRRC to continue consultation with the State of Montana regarding potential effects to the fish hatchery and to adhere to the reasonable mitigation conditions imposed by the state in issuing an easement across fish hatchery property.

P29.5 The commenter is concerned that SEA has not adequately examined potential impacts to Sage Grouse, and states that mitigation measures pertaining to this species are inadequate.

The locations of Sage Grouse habitat and known leks in the project vicinity are discussed in Section 4.2.2.2 of the Draft SEIS. The location and extent of leks and the level of activity at identified leks is subject to change, however. As a result, SEA has developed a detailed protocol under recommended Mitigation Measure 26 that is intended to gather additional data on the presence of leks

immediately prior to construction. The data gathered would be used by SEA, if necessary, to develop additional mitigation measures to minimize impacts, if warranted. As stated under Mitigation Measure 26, active leks could not be destroyed by construction of the railroad. If impacts to active leks as a result of construction were unavoidable, TRRC would follow the protocol set forth under Mitigation Measure 26, item 3, which could include the provision of adequate replacement habitat. SEA believes that the completion of additional pre-construction surveys and implementation of recommended Mitigation Measure 26 would be sufficient to avoid significant impacts on Sage Grouse as a result of this project.

- P29.6 The comment expresses concern related to the potential cumulative impacts on the Tongue River Valley if the proposed project, coal mining, and CBM development were to occur simultaneously. For a discussion of these concerns, please refer to Master Response 21, Adequacy of Cumulative Analysis.
- P29.7 The comment expresses concern that the Draft SEIS does not adequately address the potential impacts that the project would have on the social services of local communities (i.e., police, fire, public works crews). The commenter suggests that TRRC should consult with local communities to better identify the potentially adverse effects on social services. SEA agrees that there should be consultation, and has addressed this issue through recommended Mitigation Measure 81. That condition would require that TRRC appoint a representative to consult with the affected county and local governments for the purpose of assisting impacted communities in addressing potential social and economic problems. Furthermore, TRRC would be required to provide all practical assistance to the government planning agencies involved. This consultation process would provide affected communities with the opportunity to address adverse effects on social services.

Other Submissions

In order to process your filing, please fill out the following information. If you do not know the docket number, please leave it blank and we will fill it out for you.

Please fill out the following information to help us complete your filing:

Docket #:	FD -30186 -sub no-3 -
Subject: *	Draft SEIS on the proposed western alignment for the Tongue River railroad
First Name: *	Monty
Middle Name:	
Last Name: *	Lesh
Address: *	2103 Fort
City: *	Miles City
State: *	MT
Zip Code: *	59301-
Email Address: *	mslesh@midrivers.com
Group/Affiliation:	
Message:	<p>Mr. Blodgett,</p> <p>I support the proposed Tongue River Railroad, and the Western Alignment. The development of this railroad will have a significant economic impact on our area. The increased tax base will improve our schools and infrastructure, which we desperately need. These high paying jobs would be a welcome relief for the distressed job situation in this area.</p> <p>The development of the coal resources, which would be a result of the railroad, is good for this area and the nation as a whole as we look for ways to become less reliant on foreign sources of energy.</p> <p>The large majority of the people in this area support this railroad and the development of the coal resources.</p> <p>Thank you,</p> <p>Monty Lesh</p>

1

SEA's Responses to Comment Letter P30
Monty Lesh

P30.1 The comments in support of the project are noted.

December 3, 2004
 Bones Brothers Ranch
 Box 505
 Birney, MT. 59012

Surface Transportation Board
 Case Control Unit
 Washington, D.C. 20423
Attn: Ken Blodgett
STB Docket No. FD 30186 (Sub-No. 3)

As the deadline for comments approaches, we once again wonder if our concerns about the proposed Tongue River Railroad will be heard. Since 1980 this ranch has participated in the comment process for the proposed railroad with little obvious effect. Although we are truly concerned about the effects of this railroad to our livelihood, we feel that the Surface Transportation Board has not heard the public on this issue. The findings of this Draft Supplemental Environmental Impact Statement and the previous impact statements on TRR I or TRR II do not indicate an understanding of the Tongue River Railroad's impacts to our lives, businesses or the landscape of the Tongue River Valley.

1

Despite 24 years of studies, there has not been any attempt at actually building a railroad. Surely the Surface Transportation Board is as tired of Mike Gustafson and his investor bilking schemes as we are. If you do decide to give this railroad the go ahead, we ask that a new 3-year deadline be given to the company to complete the project and that this time the Surface Transportation Board will adhere to this decision. We've seen the route changed countless times over the past and would like to be able to get on with the future planning of our operations.

2

Having the prospect of an ever-changing railroad going through our ranch has reduced our property values and made planning an impossibility. An unending time frame and a route that is as changeable as this one, is an injustice to those of us whose land and livelihoods are affected by this railroad.

3

We live in an area of seclusion and quiet, where we don't lock our doors, and we are accustomed to stopping in the middle of the road to visit with a passing motorist. The school is only attended by 7 kids in all 8 grades combined. Neighbors help each other and everyone knows everyone else. The impacts from this proposed railroad will change our quiet life – a life we value highly. Many transient workers will be employed in our area during the construction of this railroad (should it actually be built) straining the limits of our small school. The increase in traffic will endanger our safety and, combined with the ever-increasing Coal bed methane traffic, make our roads extremely hazardous. We have no law enforcement to speak of now and our safe way of life is threatened. A wildfire may only burn an average of 90 acres (as noted in the DSEIS), which may actually benefit rangeland, but if the fire reaches our family, home or livestock, lives may be lost as well as generations worth of labor. The number of crossings without over or

4

5

underpasses will make getting to Sheridan hazardous; and in the case of an emergency; life threatening. The increase in noise, air and water pollution will be detrimental to our cattle ranching business and our health. Clearly this railroad will be detrimental to wildlife, aquatic life and our way of life. This is also an area that is rich in historical and cultural resources. For example, our ranch (Bones Brothers Ranch) was recently listed on the National Register of Historic Places. These historic and cultural resources will be irreparably harmed by this railroad. It is simply wrong that our livelihood is threatened by this speculative project.

5 cont.

6

“Come up with a better product and the world will beat a path to your door!” If this were the case, the “super compliant coal” in Southeastern Montana would have already had a railroad built to it. The coal available through the Otter Creek tracts was always available for lease through the Federal government. Other Coal Mining Companies hold leases along the proposed route, but none have been developed. The Draft SEIS won’t look at the cumulative impacts from these potential mines, yet claim that they are necessary for the success of the Tongue River Railroad. At best, this logic bespeaks incompetence; at worst, it is dishonest.

7

We were disappointed by the Board’s recent decision of Oct. 21, 2004 to not disclose the financial assets of The Tongue River Railroad Company, Inc. Before this company receives another permit it should have to prove that it can finance this project and this information should be public.

8

It is clear from your previous decisions and the finding of this DSEIS that you will give the TRRC the permit to build on “The Western Alignment.” We ask that if you do this that you give them a time limit to build the entire railroad and that they not be allowed to change the route with out some process.

9

Thank you for considering these comments.

Sincerely,

Terry Punt *Jeanie Alderson*
Terry Punt and Jeanie Alderson
Bones Brothers Ranch

SEA's Responses to Comment Letter P31
Terry Punt (December 3, 2004)

- P31.1 Public input on the project is a critical element in the environmental review process. In Tongue River I, Tongue River II, and Tongue River III, the public has been given ample opportunity to review and comment on the various environmental documents and provide input at public hearings. Public and agency comments have been closely considered in developing mitigation measures. While SEA recognizes that the project would result in unavoidable adverse effects, SEA's final mitigation measures should effectively minimize the adverse effects of this project on the human and natural environment of the Tongue River Valley.
- P31.2 Regarding the imposition of a time limit on construction, please refer to Master Response 13, Imposition of a 3-year Time Limit on Construction.
- P31.3 The Draft SEIS analyzed a 400-foot-wide ROW corridor. The centerline of this proposed alignment is shown on the maps included in Appendix A of this Final SEIS. If the proposed Western Alignment is approved by the Board, the exact location of the centerline may move within the 400-foot ROW as part of final design engineering and negotiations with individual landowners. Based on the information currently available, it appears that the alignment will not be outside the 400-foot ROW that SEA has analyzed.
- P31.4 As noted in Section 4.3.9.2 (Page 4-166) of the Draft SEIS, it is expected that the majority (90 percent) of construction workers would reside alone in the construction camps, while 10 percent (20 workers) would choose to bring their families and live in Miles City or Sheridan. Although the project would not result in a substantial increase in school attendance, the railroad would increase taxable revenues for school equalization that would contribute to the enhancement of educational services.
- P31.5 Mitigation measures included in the SEIS address each of these concerns. Recommended Mitigation Measure 53 and 54 would reduce the number of construction vehicles using public roads. Mitigation Measure 57 would require that TRRC vehicles and equipment, and vehicles and equipment owned and operated by TRRC contractors working on the project, strictly adhere to speed limits and other applicable laws and regulations when operating such vehicles and equipment on public roadways. Regarding crossings, Mitigation Measure 55 would require an MOA, in coordination with MDT, that includes the evaluation of each crossing for safety needs and potential traffic problems during construction and operation, including passage of emergency vehicles. Based on these evaluations, the MOA will set forth specific safety measures, such as warning signal and devices, and appropriate measures to alleviate any traffic problems, such as grade separations. Regarding wildfires, SEA believes that the implementation of Recommended Mitigation Measures 9-13 would reduce the

risk of wildfire resulting from the operation of either the proposed Western Alignment or the Four Mile Creek Alternative. As noted on the MT DNRC website (<http://dnrc.mt.gov/forestry/fire/business/statistics.asp#firehistory>), of the 10,806 acres that burned last year, only eight fires were attributed to railroads, and these fires contributed to the loss of a total of 1.8 acres (0.02 percent). The vast majority of fires were started by lightning (67 percent) and debris burning (29 percent).

- P31.6 The Bones Brother Ranch is a historic district listed on the National Register of Historic Places in March of 2004. It is significant under Criterion A for its association with the evolution of the livestock industry and the land settlement of the Tongue River Valley, and for its association with the development of tourism and dude ranching in Montana. The district is also listed under Criterion C for its vernacular rustic architecture.

The district incorporates 4000 acres. The northeast corner of this district is approximately ½ mile from the proposed rail line, including the refinements. Although the proposed rail line would be visible from the higher elevations within the district boundaries, the main complex of buildings would be more than 1 mile away from the rail line, and the line of sight would be blocked by intervening topography. For that reason, the construction and operation of the railroad will not impact substantially the elements of the site that make this district NRHP eligible. The border of the Bones Brothers Historic District in relation to the proposed rail line is shown on Figure A-69 in Appendix A of this Final SEIS.

- P31.7 Possible mining operations at the Otter Creek tracts are discussed in Section 6.4.3 of the Draft SEIS. SEA is aware that a development consortium has proposed the construction of a 750-megawatt coal-fired generator on these tracts and a 100-mile power line to tie into existing transmission lines. Moreover, the consortium indicated the need for a 3-million-ton-per-year coal mine to supply the power plant. SEA acknowledges that the Tongue River rail line would increase the likelihood of coal mine development on the Otter Creek tracts, which in turn could increase the likelihood that the coal-fired generator plant and the power line would be constructed. However, as discussed in Master Response 21, Adequacy of Cumulative Analysis, there are no prospective mine development projects in the Otter Creek tracts or elsewhere in the Ashland area that meet SEA's definition of reasonably foreseeable. Furthermore, the development consortium has not yet received any leases or permits for development of the tracts to date, nor has the consortium been granted transmission rights.

SEA consulted again with MT DNRC in August 2005 to obtain the most current information on any leasing applications or agreements associated with the Otter Creek tracts. Based on 2004 test borings, MT DNRC compiled up to date information on the volumes and properties of coal in the Otter Creek tracts. While the 2004 borings have confirmed large coal reserves in this area, there are

currently no proposals under review for leasing of the tracts, nor has any industry group identified a time line for submitting such a proposal.

Based on these factors, SEA does not consider the generator plant, the transmission line, or other mine development projects to be reasonably foreseeable, and did not include them in the cumulative analysis of the Draft SEIS.

- P31.8 Regarding the financial status of the TRRC, please refer to Master Response 17, Financial Stability of the Tongue River Railroad Company.
- P31.9 If the Board approves the proposed Western Alignment, TRRC expects to construct the rail line within the 400-foot corridor examined in the Draft SEIS and this Final SEIS. Regarding the imposition of a time limit on construction, please refer to Master Response 13, Imposition of a 3-year Time Limit on Construction.



Brotherhood of Locomotive Engineers and Trainmen

Division 195
Forsyth, MT

P32

ren
Lynn R. Fitterer
Local Chairman
P.O. Box 325
Forsyth, MT 59327
PH 406-346-2520
Mobile 406-351-1432
Fitt@cablemt.net

EI#1158

Surface Transportation Board
Case Control Unit
Washington D.C. 20423
STB Docket No. FD 30186 (Sub-No.3)

December 1, 2004

Dear Sirs:

I am writing this letter in opposition of the proposed Tongue River Railroad. I am the Brotherhood of Locomotive Engineer and Trainman's Local Chairman for Division # 195 in Forsyth.

The Railroad is unnecessary as the mines that are being operated now are serviced by other Railroads. The only benefit that I can see is the operating cost will be lowered for the Midwest Utility Companies. There would be no breaks to any one in the immediate areas affected by the Railroad.

1

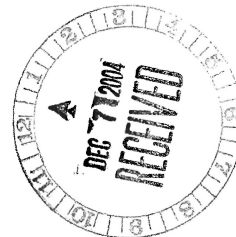
I was unable to attend the last two meetings that were held in Miles City and Ashland Montana. I have attended other ones earlier in the 90's. The TRR has been able to build since 1996 and the company has not built. I believe that the Surface Transportation Board has to finally say "NO" and let these farmers and ranchers who live on the proposed route get on with there life's.

In closing if the STB had determined that the proposed railroad was necessary than why has it not been built?

2

Respectfully yours,


Lynn Fitterer



SEA's Responses to Comment Letter P32
Lynn Fitterer (December 1, 2004)

P32.1 Please refer to Master Response 9, Determination of Public Convenience and Necessity.

P32.2 Please refer to Master Response 9, Determination of Public Convenience and Necessity.



COMMENT CARD

There are three ways to submit comments on the Tongue River III Draft Supplemental Environmental Impact Statement.

1. Provide verbal comments at this public meeting (all verbal comments will be transcribed),
2. Submit written comments to the address shown below, or by placing this comment card in the comment box located at the sign-in area; or
3. Submit your comments electronically at the Surface Transportation Board's website, www.stb.dot.gov.

NAME: Ronald J. NERAC

ADDRESS: 103 N. JORDAN

MILES CITY MT. 59301

TELEPHONE: (406) 234-1205

DATE: 12-06-04

COMMENT: Please see the attached information.

After listening to the testimony given

I must support the "Draft Supplemental

Environmental Impact Statement" Tongue

River Railroad STB No. 30186 (Sub-No. 3).

When submitting comments please be as specific as possible and substantiate your concerns and recommendations.



Please use the reverse side or attach any additional pages.

To submit comments by mail, send to:
Surface Transportation Board
Case Control Unit
Washington, DC 20423
Attn: Kenneth Blodgett, STB Docket No. FD 30186 (Sub-No. 3)

TONGUE RIVER RAILROAD COMMENTS



Mr. Kenneth Blodgett
Surface Transportation Board
Case Control unit
Washington, D.C. 20423

Re: "Draft Supplemental Environmental Impact Statement" Tongue River Railroad
STB Finance Document No. 30186 (Sub – No. 3)
Western Alignment

I support approval of the above EIS because:

- The proposed western alignment of the railroad reduces the environmental impacts when compared to the existing alignment.
- The proposed western alignment reduces the grades that the trains' will have to travel over.
- Completion of the Tongue River Railroad opens extensive coalfields in the Otter Creek area. The State of Montana owns over 530 million tons of this coal with a like amount owned by Great Northern Properties. This is highly compliant low sulfur coal. The development of this coal could create an economic boom in Southeastern Montana.
- Coal development and power plant development along the proposed railroad can create a great number of highly paid jobs.

Coal mine construction (2 mines)	500 jobs
Railroad under construction	500 jobs

Each job pays approximately \$50,000 annually.
Construction to last up to 3 years.

Permanent jobs – mines	200 jobs @ \$55,000
Permanent jobs – railroad	60-70 jobs @ \$55,000

- Development of the Coal will probably lead to approximately 3,000 megawatts of coal-fired power plant capacity – 5 to 6 plants along the Tongue River. Major new construction and permanent jobs.
- Completion of the Tongue River Railroad opens up the potential for coal development on the Cheyenne Reservation.
- Property taxes from the Tongue River Railroad and coal development along with the lease royalties could reach \$51,000,000 per year.

- Property taxes to the local school districts in Southeastern Montana would exceed \$5,000,000 per year. Powder River County alone would receive over \$1,000,000.
- Total Investment in the railroad and mines would exceed \$270,000,000.
- Local governments are suffering for more tax base and new jobs. Infrastructures are suffering, schools are suffering, people are leaving, and towns are gradually disappearing. Our children are leaving.

1 cont.

SEA's Responses to Comment Letter P33
Ronald Nernec (December 4, 2004)

P33.1 Comment noted.